

# *ICF-MR Cost Analysis and Comparison with CAP/MRDD Services*

## *Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services*

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# ***FACILITY vs COMMUNITY SETTINGS COMPARED***

- MR/DD
- ICF MR vs. CAP MR

# ***FACTORS CONSIDERED***

- State Owned compared to Non-State Owned facilities
- Services included in facility/basic rates plus those acquired outside the facility/basic service
- Impact of ICF MR provider assessments on costs – State vs. Federal

# *Adults*

## *State Facilities & Community ICF-MR*

Adults

ICF-MR Community Facilities	Number of Beds <sup>1,2</sup> (adult beds defined as 18 years and older)	Number of Unduplicated Medicaid Individuals Served (21 years and older) <sup>3</sup>	Total Medicaid Funds for State-Operated ICFs-MR		Community ICF-MR Rate <sup>4,5</sup>	Other health-care related costs	Total ICF-MR expenditures plus other health care related costs <sup>6</sup>	Total Receipts (Federal & Other Funds) <sup>6</sup>	Total State Funds <sup>6</sup>	Average Cost Per Unduplicated Medicaid Recipient
State Operated-										
J Iverson Riddle	325	293	44,418,275		466.32	462,561	51,791,433	50,874,725	916,708	176,763
Murdoch Center	526	487	74,764,533		487.32	428,569	80,297,028	77,004,850	3,292,178	164,881
Caswell Center	430	417	77,127,639		566.32	782,006	81,552,804	77,434,387	4,118,417	195,570
O'Bary Center	284	265	42,225,075		509.64	540,710	52,570,030	50,982,415	1,587,615	198,377
Community ICFs-MR										
32 bed or larger	253	324	27,310,317		254.08	1,838,387	29,148,703	21,821,448	7,327,255	89,965
<31 beds	1,983	2,010	184,595,600		267.65	12,927,873	197,523,473	147,871,010	49,652,463	98,270
Medically Fragile	141	Included in above			NA		Included in above			

# *Children State Facilities & Community ICF-MR*

Children

ICF-MR Community Facilities	Number of Beds (children beds defined as less than 18 years)	Number of Unduplicated Medicaid Individuals Served (less than 21 years)	Total Medicaid Funds for State-Operated ICFs-MR	Community ICF-MR Rate	Other health-care related costs	Total ICF-MR expenditures plus other health care related costs <sup>6</sup>	Total Receipts (Federal & Other Funds) <sup>6</sup>	Total State Funds	Average Cost Per Unduplicated Medicaid Recipient
State Operated -									
J Iverson Riddle - First In Families	0	7	787,177	466.32	5,140	1,790,841	1,759,143	31,698	255,834
Murdoch Center - BART & STARS	42	47	4,771,508	487.32	989,543	7,439,178	7,134,172	305,006	158,280
Community ICFs-MR									
32 bed or larger	73	130	12,340,559	254.08	1,873,124	14,213,683	10,640,718	3,572,965	109,336
< 31 beds	118	308	27,310,317	267.65	9,086,591	36,396,908	27,247,635	9,149,273	118,172
Medically Fragile	50	Included in above		N/A		Included in above			

# ***CAP-MR/DD Children & Adults***

CAP-MR/DD	All CAP Comprehensive Waiver Expenditures	All CAP Supports Waiver Expenditures	Allowable One-time Costs (above the capitated amount)		Other health-care related costs	State Service Funds supporting room and board & other services for Non Thomas S 6	State Service Funds supporting former Thomas S class members on CAP 6	Unduplicated Recipients	Average Cost per unduplicated CAP/MR/DD recipient
Adults (18 years and older)	389,380,821	1,158,982	N/A		78065016	6081784	5782208	7142	67,274
Children (less than 18 years)	96,715,751	1,300,440	N/A		57380397	571614	0	3629	42,978

Data Source: Division of Medical Assistance DRIVE or Rate setting , unless otherwise noted

1 State Operated ICF/MR bed number source : Division of State Operated Healthcare Facilities

2 Community ICF/MR bed number source: Division of Health Services Regulations

3 Column B and Column C use different age groups; for instance there are recipients classified as "children" <21 years in Riddle and Caswell neither of which have children beds

4 Rates for Riddle, Murdoch and Caswell are the facility- specific rate effective 11/01/09; rates for the community facilities are an average of facility-specific rates

5 O'Berry rate is blended due to 3 rates for SFY 2010, current rate which was effective 11/01/09 is \$523.32

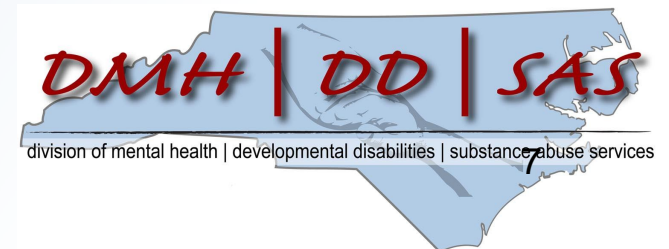
6 Datasource: Division of Mental Health, Developmental Disabilities and Substance Abuse Services

# ***CAP MR – ICF/MR***

	<b><i>CAP MR</i></b>	<b><i>ICF MR - NSO</i></b>	<b><i>ICF MR - SO **</i></b>
Basic Services	\$ 45,959	\$ 90,149	\$ 162,119
Medications	2,708	2,726	
Inpatient Hospital	764	2,237	478
Hospital Outpatient/ER	595	617	861
Physician	768	1,091	1,067
Case Management	3,422		
Nonphysician Practitioners	1,641		
Home Health/PCS	1,016		
DME	814	-	-
Annual Cost Per Recipient	\$ 57,686	\$ 96,821	\$ 164,525
TOTAL RECIPIENTS	10,771	2,692	1,517

***\*\* - STATE OWNED COST ESTIMATED***

***Comparison based on Total dollars expended***





# ***PROVIDER ASSESSMENTS***

- Since 1991 CMS has allowed states to assessment/providers
- "Tests" must be met or fit within a "safe harbor" with a maximum assessment of 5 ½%
- Assessment on non-Medicare net patient revenue
- Assessments are allowed to be used to increase rates to providers – amounts leveraged by Federal match
- The result is a mechanism the increase payments to approved providers without raising cost to the state
- Currently Nursing Homes and ICF-MR's only providers with an assessment approved.



# ***STATE DOLLAR COMPARISON***

	<b><i>CAP MR</i></b>	<b><i>ICF MR - NSO</i></b>	<b><i>ICF MR - SO</i></b>
Basic Services - Total	\$ 45,959	\$ 90,149	\$ 162,119
State Dollars	\$ 16,086	\$ 31,552	\$ 56,742
Less Assessment	-	(4,008)	(3,645)
Net Cost to NC	\$ 16,086	\$ 27,544	\$ 53,097
Other Costs	4,104	2,335	842
<b>TOTAL NC COST</b>	<b>\$ 20,190</b>	<b>\$ 29,879</b>	<b>\$ 53,939</b>

***State owned costs estimated***